



North Carolina District Review

U.S. Small Business Administration, 6302 Fairview Road, Suite 300, Charlotte, NC 28210
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The *NC District Review* is available via e-mail or fax. To receive via e-mail, visit www.sba.gov and click on 'Subscriptions.' To receive via fax, notify Cecelia Rolls by phone at 704-344-6810, by fax at 704-344-6769 or e-mail at cecelia.rolls@sba.gov.

MOST ACTIVE LENDER RANKINGS **FY 2004 YTD**

October 1, 2003 – March 31, 2004

LENDERS

	<u>7(a)</u>	<u>504</u>	<u>Total</u>	<u>\$ Amount Millions</u>
Large Banks				
1. Bank of America	131	2	133	\$4.1
2. Capital One	74	0	74	\$3.2
3. Innovative Bank	35	0	35	\$0.25
4. First Citizens Bank & Trust Co.	19	8	27	\$4.9
5. Wachovia Bank	22	2	24	\$12.4
Community Banks				
1. Bank of Granite	26	5	31	\$8.0
2. Surrey Bank & Trust Company	26	0	26	\$2.8
3. Southern Bank & Trust Co.	14	1	15	\$2.3
4. Bank of Stanley	9	0	9	\$1.0
4. Sound Banking Company	9	0	9	\$.8
Small Business Lending Companies				
1. CIT Small Business Lending Corporation	26	0	26	\$14.3
2. Self-Help Credit Union	19	0	19	\$1.6
Certified Development Companies				
1. Charlotte Certified Development Corporation		16	16	\$7.6
2. Self-Help Ventures Fund		13	13	\$5.7
3. Centralina Development Corporation		10	10	\$3.7

IMPORTANT SBA 7(a) AND 504 PROGRAM CHANGES

Legislation which provides a temporary extension of authorization for certain SBA programs was signed into law. These changes apply to loans approved on or after April 5, 2004 and through and including September 30, 2004.

As a result of this legislation, SBA will be able to provide approximately an additional \$3 billion (for a total of approximately \$12.5 billion) in 7(a) loan guarantees through the end of this fiscal year. To review the entire notice, visit www.sba.gov/banking/indexnoticesfy04.html and select notice 5000-915.

7(a) Program Changes

- The temporary \$750,000 loan cap which took effect on January 8, 2004, is lifted. The limit on the gross amount of a 7(a) loan once again is \$2.0 million.
- The loan guaranty limit has been increased temporarily from \$1.0 million to **\$1.5 million**. (For example, a \$2.0 million loan may now have a 75% guaranty.)
- SBA will allow “Combination Financing” also known as “piggyback” loans to qualify under 7(a) if they meet certain requirements.
- There is a new guarantee and annual fee structure on 7(a) loans.
- SBA Express lenders may now approve SBA Express loans up to **\$2.0 million** (gross amount) using existing SBA Express procedures.

SBA’s authority to collect certain fees with respect to 504 loans has been extended through September 30, 2004. SBA will issue a separate notice detailing changes and procedures.

If you have questions about these changes contact the NC Finance Division at 704-344-6810.

SMALL BUSINESS WEEK



National Small Business Week, proclaimed by President George W. Bush, is May 17 through 21. The week-long annual celebration, gives our nation the opportunity to celebrate the tremendous achievements being made by small business owners. The highlight of this week is the presentation of awards spotlighting the outstanding contributions of small business owners and small business advocates at the state, regional and national level. The National Small Business Person of the Year will be announced.

The U.S. Small Business Administration’s annual National Small Business Week commemoration, SBA Expo '04, will be held in Orlando, Fla., May 19 through 21.

Special events this year will include a small business expo, a business matchmaking event, business seminars, a town hall meeting, and award ceremonies honoring women entrepreneurs. To find out more, visit <http://www.sba.gov/50/>.

FROM THE DESK OF THE REGIONAL ADMINISTRATOR

In a few weeks I will be celebrating my 2nd anniversary as Southeastern Regional Administrator for the SBA. Working with you to assist small businesses across the region continues to be a high point in my career. With your help, the SBA has set a new standard for program delivery and broken all records for the number of small businesses benefiting from our lending, counseling and training programs. I am particularly proud to be a part of the SBA as we celebrate the agency's 50th year of service to America's entrepreneurs by creating a new SBA; an SBA with new streamlined processes, more efficient operations and a renewed commitment to customer service. Together we are building an SBA for the 21st century.



It should be reassuring to small business that Congress and the President have acted to strengthen SBA's flagship 7(a) loan program. With President Bush's signature, loan authority under the program has increased by \$3 billion. This 30% increase in funding allows the SBA to reach out to thousands more small businesses than ever before and to lift the temporary restrictions that were instituted earlier this year. The program improvements create a more stable and self sufficient program. The result will undoubtedly be a spike in 7(a) lending activity followed by new businesses starts, businesses expansions and job creation.

Over the past few months, I have been traveling across the region, meeting with our lending partners to discuss issues of mutual concern and to encourage greater participation in SBA loan guarantee programs. It is encouraging to see such broad interest in our programs within the lending community and to hear how critical the SBA is to their ability to make capital available to small businesses. We are committed to expanding the availability of SBA-backed loans and to working with all of our partners to make that happen.

I am confident about the SBA's future. We stand today as a stronger, leaner agency with greater singleness of purpose than at any time in our history. Our focus is and will continue to be America's 25 million small businesses. To be responsive to our mission we will continue to assess and improve the way we do business. We will also continue to do what we do best: be America's number one resource for small business.

Nuby Fowler
Regional Administrator, Region IV

POLICY CHANGES AND CLARIFICATIONS

Revised 504 Authorization Wizard (SBA Information Notice 5000-912)

SBA has announced a revision to the current 504 Authorization Wizard, version 4.2. The new version is called 4.2 SR1. This version incorporates the reduction to the underwriter's fee for the 20-year debenture sales beginning April 2004 that was announced in SBA Procedural Notice 5000-907. This is the only change that has been made in this version.

Certified Development Companies (CDC) can obtain the modified Wizard from the SBA Banking Site at www.sba.gov/banking.

If you have any questions or concerns regarding the 504 Wizard, please submit your comments to the 504 Authorization e-mail box at 504Auth@sba.gov.

LENDERS SBA WEB SITE – “www.sba.gov/banking”

SBA website contains complete information on all SBA loan programs, all SBA Forms, Policy and Procedural Notices, SBA Regulations and Standard Operating Procedures. You also will find the standardized 7(a) Loan Authorization and information on 1502 reporting procedures. This is intended to be a one-stop site; however if other information is needed or would be beneficial to you as a lender, please let us know.

MONTHLY LENDER WORKSHOPS – DATE CHANGE



Effective May 2004, the NC District Office will conduct **Lender Workshops** from 9:00 a.m. until 12:15 p.m. on the **second Wednesday of each month** at the **Charlotte, Raleigh** and **Asheville** offices. See below for upcoming dates.

The workshops focus on SBA Loan Programs and borrower eligibility. Walk-ins are welcome, but the presenter appreciates knowing in advance if you are planning to come. To register, call Celia Rolls at (704) 344-6810 for Charlotte, Ivan Hankins at (919) 851-1891 for Raleigh Area, or Mike Arriola at (828) 225-1844 for Asheville.

2004 Dates

May 12	September 15
June 9	October 13
July 14	November 10
August 11	December 15

REMINDER: SBA DAYS

If you have clients who would be interested in learning more about SBA's programs, they can schedule a 30 minute, one-on-one information session with an SBA Representative. Call to make an appointment at the following locations:

Sponsor	Location	Day	Hours	Phone Number
Cary Chamber	Cary	Third Wednesday	10 a.m. - 2 p.m.	919-467-1016
SBA	Charlotte	Fourth Tuesday	9 a.m. - 4 p.m.	704-344-6563
Gaston Co. Chamber	Gastonia	Second Tuesday	9 a.m. - 1 p.m.	704-864-2621
Greensboro Chamber	Greensboro	First Tuesday	10 a.m. - 2 p.m.	336-510-1234
Henderson Co. Chamber	Hendersonville	Third Friday	10 a.m. - 2 p.m.	828-692-1413
Catawba Co. Chamber	Hickory	Third Tuesday	10 a.m. - 2 p.m.	828-328-6000
Lake Norman Chamber	Cornelius	Third Thursday	9 a.m. - 2 p.m.	704-892-1922
Mooreville Chamber	Mooreville	First Thursday	9 a.m. - 2 p.m.	704-664-3898
Rowan Co. Chamber	Salisbury	Fourth Wednesday	9:30 a.m.-2 p.m.	704-633-4221

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SUBSCRIBE TO “SBA LENDER UPDATE”

Lenders may receive “SBA LENDER UPDATE”, a message which will contain breaking news about SBA Lending Programs, via e-mail by signing up on SBA’s LISTSERV.

“SBA LENDER UPDATE” is used to broadcast late breaking news regarding the Agency’s lending programs. SBA does not send SPAM (i.e., unsolicited mass e-mails), therefore LISTSERV allows people to **voluntarily** subscribe to receive agency e-mail.

To subscribe simply go to the following LISTSERV web site:
<http://www.sba.gov/banking/listserv.html>.

Subscribers will receive an e-mail confirmation, which they must respond to within 48 hours. This precautionary measure ensures that someone else did not subscribe for them and that they truly want to receive the information.

NC DISTRICT OFFICE LENDER CONTACTS

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ASHEVILLE & WESTERN NC

Mike Arriola	(828) 225-1844	michael.arriola@sba.gov
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RALEIGH/DURHAM & NORTHEASTERN NC

Ivan Hankins	(919) 851-1891	avanti892003@yahoo.com
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